

**CTVC Limited**

**Company Registration No 1375941**

**Registered Charity Number 276286**

**Report of the Directors and Financial Statements**

**for the year ended**

**31 December 2012**



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# **CTVC Limited**

## **Report of The Directors for the year ended 31 December 2012**

### **Reference and Administration**

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The Directors who act as Trustees for the charitable activities of CTVC Limited present to the members their report and financial statements for the year ended 31 December 2012

<b>Directors</b>	<b>Committee Membership</b>
Mr J. R. Newton	Retired as Chairman 31/12/12
Mr A E. Cowen, MRICS	(2) Appointed Chairman 01/01/13
The Rev'd M A Booth, MA	(1)
Mr P F Kafno, MA	(1)
Mr G C King, MA, CA	(1,2)
Mrs. J. L Ropner DL	
Mr M D B Simon	
The Hon Mrs C. Twiston-Davis	

#### **Advisor**

Earl St. Aldwyn	(2)
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#### **Committees:**

Management	(1)
Audit and Remuneration	(2)

#### **Registered office**

12 Warwick Square, London, SW1V 2AA

#### **Production and Finance office**

9-12 Copper Row, Tower Bridge Piazza, London, SE1 2LH

# CTVC Limited

Report of The Directors for the year ended 31 December 2012 (continued)

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## Reference and Administration (continued)

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### Company Information

Chief Executive Officer

Mr P Weil MA

Company Secretary / Head of Finance and Administration

Mr P O Connolly

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### Professional Advisors

Auditor.

**Baker Tilly UK Audit LLP**

The Pinnacle, 170 Midsummer Boulevard, Milton Keynes, MK9 1BP

Bankers:

**National Westminster Bank plc**

P O Box 224, Stanmore, HA7 4XW

Solicitors:

**Candy LLP**

8 Stone Buildings, Lincoln's Inn, London, WC2A 3TA

**Keystone Law Ltd**

53 Davies Street, London, W1K 5JH

**Paris Smith LLP**

Number 1 London Road, Southampton, SO15 2AE

**Structure, Governance and Management**

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**Constitution**

CTVC is a company limited by guarantee (registered number 1375941), and a registered charity (registered number 276286). It was established on the 29 June 1978, the governing document being the Memorandum and Articles of Association as amended and adopted on the 11 December 2000, 16 December 2002 and 14 December 2004.

**Corporate Governance**

**Appliance of the principles of the Combined Code**

CTVC seeks to comply with best practice with regard to corporate governance. The Directors have reviewed the requirements of the Combined Code. The principles of the Combined Code relevant to CTVC have been applied as follows:

**Statement of Directors' responsibilities**

The Directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Directors are required to

- select suitable accounting policies and apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## **CTVC Limited**

### **Report of The Directors for the year ended 31 December 2012 (continued)**

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#### **Structure, Governance and Management (continued)**

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##### **Directors**

The names of the Directors who served during the year are shown on page 1 and The Chairman would like to thank all of them for their support and continuing interest in the work of CTVC

##### **Retirement**

Mr J R Newton retired as Chairman on 31 December 2012 See page 13

##### **Appointments to the Board**

Members of the Board are appointed either by The Rank Foundation Limited ("The Rank Foundation") or by the existing Board There are no set procedures for selecting new members and to this extent, CTVC does not comply with the requirements of the Combined Code but makes appointments on the basis of the particular skills required by the Board

Given the ability of The Rank Foundation to appoint a majority of the Board Directors, and CTVC's circumstances, the Board are satisfied that this non-compliance does not have a detrimental effect on the corporate governance of CTVC

##### **Re-election**

The members of the Board are required to be re-elected to the Board annually

In accordance with the articles of association, the remaining Directors in office at that time will retire at the forthcoming Annual General Meeting and offer themselves for re-election

##### **Board balance**

Throughout the year the Board comprised eight Directors Five were appointed by The Rank Foundation, and the balance elected by the Board

The Rank Foundation has the right to appoint a majority of the Directors and to remove any Directors it appoints Any other Directors can be appointed either by the Board or by the members

##### **Induction and training**

All new Directors receive on appointment an induction pack This contains copies of the Governing documents, all committee constitutions, the previous year's annual report and financial statements, a book detailing the history of the charity, and the group, and a profile of all Directors and staff

Formal training is provided as and when required or appropriate

## **CTVC Limited**

### **Report of The Directors for the year ended 31 December 2012 (continued)**

#### **Structure, Governance and Management (continued)**

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##### **Directors' remuneration**

Directors' remuneration, if any, is set by the Board and is based on the number of days required to perform their duties

The Directors' emoluments are detailed in the financial statements

##### **Insurance**

The company has in place Directors' and Officers' insurance

#### **Decision Making and Committees**

##### **Chairman and Chief Executive**

The roles and responsibilities of the Chairman and Chief Executive are separate and are clearly defined

##### **The Board**

The Board is responsible for leading and controlling CTVC. The Board achieves this by

- setting the long term strategic objectives of CTVC

- the annual preparation, approval and adoption of medium term business plans, which guide CTVC's activities in the periods to which they relate,

- the annual preparation, approval and adoption of annual budgets, based on three year business plans,

- monitoring actual performance against budget and business plans,

- monitoring the results, key performance indicators and variances on a quarterly basis

The Board met four times during the year

It is to be noted that the Board is comprised solely of non-executive directors

##### **Supply of information**

The Board receives detailed management accounts prior to each Board meeting

Additional information is also provided to members of the Management Committee at their regular meetings

Minutes of all Management and Audit and Remuneration Committee meetings are distributed to members of the Board on a regular basis

Further information and analysis required by any Board member is provided to them whenever they request it

## **CTVC Limited**

### **Report of The Directors for the year ended 31 December 2012 (continued)**

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#### **Structure, Governance and Management (continued)**

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##### **Chief Executive Officer**

Mr Weil is a television executive with over 30 years of broadcast experience in the UK, Europe, the USA and Latin America with a strong track record in innovation, especially in tackling ethical and moral issues. Key achievements include senior management experience at both Discovery and the BBC, setting up an independent production company and leading Media Trust Productions and the Community Channel.

##### **Management committee**

The Board has delegated specific responsibilities to the Management Committee, which comprised three non-executive Directors, Mr P F Kafno, Mr G C King, and The Rev'd M A Booth, the Chief Executive Mr P Weil and the Company Secretary / Head of Finance and Administration Mr P O Connolly.

The Committee meets approximately ten times throughout the year. The purpose of the Committee is to ensure the business of CTVC is conducted on a day to day basis within the limits delegated by the Board and in accordance with the policies and strategies prescribed by the Board. The Committee members report to the Board four times a year.

##### **Audit and Remuneration committee**

Throughout the year the Committee comprised two non-executive directors and one advisor and met twice in the year. The purpose of the Committee is to create a formal conduit between the external auditor and the Board. It has the authority to appoint the external auditor and to fix their remuneration.

The auditor has reported to the committee on, inter alia, their independence and the procedures they undertake to maintain their independence. The committee has reviewed these in conjunction with the non-audit fees paid to the auditors and have satisfied themselves as to the auditor's continuing independence.

It also has the power to fix the salary and expense allowances of the Chief Executive Officer.

Committee members also advise as to the content and presentation of the annual report, so as to ensure that financial reporting requirements are met.

The purpose, functions and responsibilities of the Committee are clearly defined and where authority has been delegated to the Committee, the Board as a whole will not unreasonably withhold approval of the Committee's decision.

##### **Parent undertaking**

The parent company is The Rank Foundation Limited (registered number 516434), a registered charity (registered number 276976), whose address is 12 Warwick Square, London, SW1V 2AA.

CTVC is a wholly owned subsidiary of The Rank Foundation. The Rank Foundation prepares consolidated accounts, which incorporate the results of CTVC, and its subsidiary company (Hillside Studios Limited).



## CTVC Limited

### Report of The Directors for the year ended 31 December 2012 (continued)

#### Structure, Governance and Management (continued)

##### Subsidiary undertaking

CTVC has a wholly-owned trading subsidiary which is incorporated in the United Kingdom, Hillside Studios Limited (registered number 1782130). Following the relocation of its operations to Central London its principle activity is the making of video productions.

Any profits of Hillside Studios Limited are donated to CTVC by way of gift aid.

A summary of Hillside Studios Limited's trading results for the year is shown on page 23.

##### Internal control and risk management

The Board has overall responsibility for CTVC's system of internal control and for monitoring the effectiveness of the controls.

It should be noted that any system of internal control can provide only reasonable, but not absolute, assurance against material misstatement or loss.

CTVC has put in place an organisational structure with formally defined lines of responsibility and delegation of authority. Within that structure, key aspects of the system of internal control are:

A triennial preparation of medium term business plans, incorporating annual operating and capital budgets, which are formally approved by the Board.

Annually, the budget for the year, as set out in the medium term business plan, is revised to take account of changing circumstances and formally adopted and approved by the Board.

Monthly management accounts are used to monitor financial performance with all significant variances from the budget investigated. Key performance indicators are reviewed.

The Board receive quarterly accounts.

Given CTVC's size and nature of operations, the Board does not consider that an Internal Audit function is warranted.

As set out above, the Board is closely involved in the implementation of the internal controls. The Board has reviewed the operation of the internal controls and is satisfied that the key internal control functions operated effectively during 2012.

In addition the Board has confirmed that the major risks to which the charity is exposed, as identified by the Directors, have been reviewed and systems established to mitigate those risks.

The major risks identified are:

- |                          |   |
|--------------------------|---|
| • To reputation          | Failure to complete or meet production requirements |
| • Legislative            | Non-compliance with acts of Government              |
| • Financial              | Loss of grant                                       |
| • Information technology | Computer systems failure                            |
| • Personnel              | Loss of key personnel                               |

**Structure, Governance and Management (continued)**

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**Equal opportunities**

CTVC is committed to equality of opportunity for any applicants and all staff, and will endeavour to ensure that no individual is treated less favourably on the grounds of age, sex, sexual orientation, race, ethnic origin, nationality, marital status, religion or disability. This principle applies to recruitment, transfers, and procedures and all terms and conditions of employment. We also take account of government policy on the employment of people registered as disabled. We respect equally the different values of all our colleagues, regardless of their background, our staff include Christians, Muslims, Buddhists, Jews, Atheists, Agnostics and those who are still searching for the right path.

**Staff**

The Board of CTVC wishes to express its gratitude to the staff for their continuing dedication and hard work during the course of the year.

2012 saw a restructuring of CTVC. The aim was to ensure that we were spending a higher proportion of our funds in furthering our charitable activities while reducing staffing costs. This resulted in a number of changes in staff. With some it led to a change in the relationship between them and CTVC, which we look forward to developing, sadly, others have left completely. The Board would like to thank them for their past service to CTVC and wish them well for the future.

## **CTVC Limited**

### **Report of The Directors for the year ended 31 December 2012 (continued)**

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#### **Objectives and Activities**

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##### **Mission Statement**

Our purpose is to engage viewers, listeners and readers through all media with matters of religion, faith and ethics from a perspective which respects those of all faiths and those with none

CTVC is a registered charity and its principal activities are

To produce programmes and content for broadcast on all platforms - television, radio and the web - to stimulate and motivate people to think about moral, ethical and spiritual issues in their everyday lives

To further the understanding of the shared values, traditions and practices of the UK's diverse faiths and their application in a secular society

To further the advancement and promotion of faiths

While Christianity is the UK's dominant and majority religion, it is equally important to advance the public knowledge and understanding of all historic world faiths with significant communities in the United Kingdom. Our staff are drawn from a range of diverse backgrounds, people of all faiths and none. Although the Christian ethos informs our approach to the projects with which we engage, that ethos is expressed not by attempts at proselytising but rather by furthering an understanding of important contemporary ethical and moral issues and by offering an insight into the principles and historic backgrounds behind all main religions.

Founded by the late Lord Rank, CTVC is also involved in educational projects which tie in with the religious aims of the charity.

The charity has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities. In particular the Directors consider how planned activities will contribute to the aims and objectives they have set.

##### **Television**

In order to achieve as wide an audience as possible, programme ideas are submitted to commissioning editors of all the key channels. Ideas which have been originated and developed by CTVC will be funded by the broadcaster concerned for a licence to transmit the programme. CTVC also enter into co-production agreements with other independent companies and broadcasters in projects that reflect the aims of the charity.

##### **Radio**

CTVC makes programmes for BBC Radio and the BBC's World Service. As with TV, ideas are generated and developed internally and submitted to the commissioning editors of the radio stations. Once broadcast the programmes are available to listen to again on the BBC and CTVC's websites, enabling people from around the world to hear the programmes.

##### **New Media**

We have two websites targeted at young people: TrueTube and Boldface Productions. TrueTube is an award winning education site for schools with videos, lesson plans and assembly plans for PSHE, RE and Citizenship at Key Stages 3 & 4. We currently receive more than 1 million hits per month across 130 countries. Boldface Productions delivers high-quality training in film and media to help young people achieve their full potential, and operates a fully equipped mobile media-van fitted with cameras and edit equipment in addition to extensive in-house equipment and facilities. By working with our trainers, young people from a wide variety of backgrounds in communities and educational settings develop a range of technical, creative and life-skills, as well as learning how to make films about the issues they care about.

**Achievements and Performance**

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**Television**

Christmas 2012 saw CTVC contribute on a bigger scale than ever before to the BBC's Christmas schedule. We produced an edition for BBC-2's prestigious "Arena" on Sister Wendy, a contemplative nun who has a passion for religious paintings. It aired on BBC-2 on Christmas Day directly after the Queen's Christmas Message and achieved a very respectable audience of just under a million viewers. We also produced a two part series on St Paul's travels through the Mediterranean which was presented by leading TV actor, David Suchet (ITV's Poirot). The two episodes, which were repeated on the BBC's HD Channel won three million viewers. "In the footsteps of St Paul", was supported by a conference in King's College London, organized together with their Theology department, a website, and radio coverage both on the BBC's 21 local radio stations and Premier Radio. In addition, David Suchet appeared on "The One Show", "This Morning" and "Loose ends" to promote the series, unprecedented publicity in mainstream media for a religious programme.

Our first CBBC documentary, "Home Grown Boys" which told the story of a group of inner city teenagers from the St Pancras area in London who were determined to grow and sell their own vegetables aired in March.

Channel Four no longer has a commissioning editor for religion. Nonetheless this didn't deter the team who went on to establish fresh contacts in the network. We won three commissions, each from a different commissioning editor. Our first "Dispatches" aired in March, we investigated religious tensions in Luton. This was rapidly followed by "Let Our Dad Die" in July, where we explored the issues surrounding Tony Nicklinson's wish to die as a result of suffering from locked-in syndrome. "Murder Workers" has been commissioned to air in 2013, where we have exclusive access to the people who look after and counsel the relatives of those who have been murdered.

**Audio**

We entered 2012 with a remarkable slate. We had won three commissions for BBC Radio Four including an investigation into the use of torture around the world and a further two slots for "Heart and Soul", the BBC World Service's flagship religious strand. For the first time we broke into Radio Three with five "Essays" on the theme of doubt. The programmes were so successful that they will not only be repeated in 2013 but we have also been invited to produce a further five "Essays", this time on the theme of forgiveness. In addition, we continued to produce our regular podcasts under the banner, "The Fifth Column" and were thrilled when our series on Bloody Sunday won top awards from both the Jerusalem Trust and the Christian Broadcasting Commission.

**New Media**

TrueTube continues to go from strength to strength. The decision to focus primarily on the RE curriculum has paid off. Audiences are up and the dreaded bounce rate is down. Downloads of lesson plans have increased. The "Holy Cribs" strand which explored different faiths through the eyes of young believers has proved especially effective and has attracted some of our highest audiences ever. A series of four films under the title "The Sacred Project" were produced in conjunction with the University of Kent's Theology department. They explored the way the sacred is expressed in everyday life.

## **CTVC Limited**

### **Report of The Directors for the year ended 31 December 2012 (continued)**

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#### **Achievements and Performance**

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CTVC enters 2013 in buoyant spirits. We begin the year with a number of commissions which are core to Lord Rank's original vision. BBC-2 has requested two part series on both Bible Hunters and the Pilgrim Fathers while Channel Four has ordered a profile of young Mormons. "My Big Decision", our strand about personal ethical and moral dilemmas on BBC-1's top rating "The One Show" has been re-commissioned for a further year and our order books include fresh commissions from Channel Four's "Dispatches", "Cutting Edge" and True Stories" as well as CBBC's "My Life". On Radio we already have been commissioned to produce a documentary on behaviourism for BBC Radio Four, a two part series on Sunnis and Shias for the BBC World Service and a five part series for BBC Radio Three's "Essay" strand on forgiveness. Meanwhile TrueTube, our on line educational initiative which covers the RE, PSHE and Citizenship curriculum for key stages three and four goes from strength to strength. We start 2013 with a record number of both views and pages downloaded. TrueTube also won the prestigious BETT award for secondary digital education. This is the gold standard in the education world.

Finally, our most exciting 2013 initiative launches in mid year. In "One Voice, One Bible" actor David Suchet, ITV's Poirot, reads the entire Bible.

#### **Measures of Success**

Across the board, - TV, Audio and New Media - CTVC has been delighted to have been nominated for a number of prestigious awards, and to have been successful in winning some. The Jerusalem trust for example not only recognised the success of our Bloody Sunday podcast series but TrueTube also won their under 25 award for new media. In January 2013 Truetube went on to win the prestigious BETT award for secondary digital content. Meanwhile Luton, "Proud and Prejudices" was shortlisted for a Broadcast award. We achieved all this while working within our budget and significantly exceeding the surplus target in TV production, TV sales and New media.

## **CTVC Limited**

### **Report of The Directors for the year ended 31 December 2012 (continued)**

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#### **Financial Review**

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##### **Operating income**

Income received from third parties for television contributions £ 700,000 (2011 £956,293) a decrease compared to last year, radio programme contributions £ 20,000 (2011 £ 29,200), showed a decrease compared to last year

##### **Reserves policy**

CTVC aims to achieve a balanced budget in the long term and retain sufficient reserves to meet its working capital requirements. Television programme production requires the producer to "cash flow" the making of any programme, in order to assist this a cash reserve is held.

The Directors consider the level of group cash reserves as at the year end £ 981,138 (2011 £ 870,180) higher than required and the intention is that this will be reduced during 2013.

##### **Pension reserve**

In 2002, The Rank Foundation paid £ 2 million in to the scheme, and they allocated a further £ 1 million to support the scheme. This amount was included in debtors less the payments made from January 2009 to 2012 £ 680,208 to date.

Due to the economic climate and changes in the Actuary's assumptions, the pension reserve deficit increased by £ 2,078,000 to £ 5,210,000 (2011 £ 3,132,000).

In addition to funding the above deficit over a ten year period, The Rank Foundation has agreed to fund the loss of income that is estimated to accrue over the payment period. Therefore, The Rank Foundation has agreed to contribute £ 282,000 p a for the next eight years and this is reflected in debtors.

##### **Funding**

A grant was received from our parent undertaking, The Rank Foundation, of £ 1,368,750 (2011 £ 1,500,000). The Rank Foundation will provide an annual grant equal to 18.75% of its grant giving budget. In 2013 this will be £ 1,368,750.

##### **Share capital**

CTVC is limited by guarantee and has no share capital. The liability of members is limited to £1 each in the event of CTVC being wound up. There are 13 members.

##### **Going concern**

In the light of the continued financial support of The Rank Foundation, the Directors are satisfied that CTVC is a going concern.

## CTVC Limited

### Report of The Directors for the year ended 31 December 2012 (continued)

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#### Chairman

At the end of 2012, Joseph (Joey) Newton, Lord Rank's eldest surviving grandson, stepped down from the Chairmanship of CTVC Ltd to assume the chairmanship of The Rank Foundation Ltd. He has been succeeded by Andrew Cowen who has been a Board member since 2002 and will maintain the family connection with CTVC.

Joey took over the chairmanship of CTVC in 2008 and over the intervening period has overseen a period of refocus and growth at Copper Row. During this time he

- Masterminded the appointment of Peter Weil as chief executive
- Guided the development of Truetube and the Fifth Column making CTVC the largest producer of moral and ethical content on society today
- Expanded CTVC's television activities to include documentaries that focus on moral issues within society
- Retained a strong Christian broadcasting presence in keeping with the Articles of CTVC

Andrew Cowen, the incoming Chairman, commented "Joey leaves CTVC in rude good health and I am privileged to be taking over an organisation in such good shape. He has set "the bar" for the continued development of CTVC very high and Peter and myself look forward to maintaining the progress and standards that Joey has set."

#### Statement as to disclosure of information to auditor

The Directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.


#### Auditor

Baker Tilly UK Audit LLP has indicated their willingness to continue in office.

12 Warwick Square  
London  
SW1V 2AA

25 April 2013

On behalf of the Board



Mr A E Cowen  
Chairman

## **CTVC Limited**

### **Independent Auditor's Report to the members of CTVC Limited**

We have audited the group and parent charity financial statements of CTVC Limited for the year ended 31 December 2012 which comprise the Group Statement of Financial Activities, the Group and Charitable Company Balance Sheets, the Group Cash Flow Statement, and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (Generally Accepted accounting Practice)

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of Directors and Auditors**

As explained more fully in the Statement of Directors' responsibilities set out on page 3 the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

#### **Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2012 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Companies Act 2006

#### **Opinion on other requirements of the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charity has not kept adequate accounting records, or returns adequate for our audit have not been
- the parent charity financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



SARAH MASON (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

The Pinnacle, 170 Midsummer Boulevard,

Milton Keynes, MK9 1BP

25 April 2013



# CTVC Limited

## Consolidated Statement of Financial Activities incorporating Consolidated Income and Expenditure For the year ended 31 December 2012

	Note	2012 £'000	2011 £'000
<b>Incoming resources</b>			
<b>Incoming resources from generated funds</b>			
<b>Voluntary income</b>	4	1,369	1,500
<b>Investment income</b>		<u>12</u>	<u>8</u>
		1,381	1,508
<b>Incoming resources from charitable activities</b>			
Contributions towards prod - Television		700	956
- Radio		20	29
Broadcast fees		51	68
Education / New Media		<u>304</u>	<u>180</u>
		1,075	1,233
<b>Total incoming resources</b>		<u>2,456</u>	<u>2,741</u>
<b>Resources expended</b>			
<b>Charitable activities</b>			
Television production		1,963	1,981
Radio production		201	124
Education / New Media		<u>579</u>	<u>709</u>
	3	2,743	2,814
<b>Governance costs</b>	3	28	28
<b>Total resources expended</b>		<u>2,771</u>	<u>2,842</u>
<b>Net outgoing resources before other recognised gains and (losses) (being excess of expenditure over income )</b>		<u>(315)</u>	<u>(101)</u>
<b>Other recognised (losses) and gains</b>			
Actuarial losses on defined benefit pension scheme	7	(2,213)	(1,418)
<b>Net movement in funds</b>		<u>(2,528)</u>	<u>(1,519)</u>
<b>Reconciliation of funds</b>			
Total funds brought forward		456	1,975
<b>Total funds carried forward</b>		<u>(2,072)</u>	<u>456</u>

All activities are continuing

The group has no recognised gains or losses other than those shown in the statement of financial activities

# CTVC Limited

Balance Sheets  
31 December 2012

Company number 1375941

		Group		CTVC	
	Note	2012 £'000	2011 £'000	2012 £'000	2011 £'000
<b>Fixed assets</b>					
Tangible assets	8	67	104	67	104
Shares in subsidiary undertaking	5	-	-	75	75
<b>Total fixed assets</b>		<u>67</u>	<u>104</u>	<u>142</u>	<u>179</u>
<b>Current assets</b>					
Debtors	10	2,368	3,031	2,368	3,032
Cash at bank and in hand		981	870	971	799
<b>Total current assets</b>		<u>3,349</u>	<u>3,901</u>	<u>3,339</u>	<u>3,831</u>
<b>Liabilities</b>					
Creditors Amounts falling due within one year	11	(278)	(417)	(337)	(417)
<b>Net current assets</b>		<u>3,071</u>	<u>3,484</u>	<u>3,002</u>	<u>3,414</u>
<b>Total assets less current liabilities</b>		<u>3,138</u>	<u>3,588</u>	<u>3,144</u>	<u>3,593</u>
Defined benefit pension scheme liability	7	(5,210)	(3,132)	(5,210)	(3,132)
<b>Net assets / (liabilities) including pension liability</b>		<u>(2,072)</u>	<u>456</u>	<u>(2,066)</u>	<u>461</u>
<b>The funds of the charity</b>					
General Fund	12	882	1,050	888	1,055
Designated Fund - Pension Reserve	12	2,256	2,538	2,256	2,538
Defined Benefit Pension Scheme Reserve		(5,210)	(3,132)	(5,210)	(3,132)
<b>Total charity funds</b>		<u>(2,072)</u>	<u>456</u>	<u>(2,066)</u>	<u>461</u>

The financial statements on pages 15 to 30 were approved and authorised for issue by the Board of Directors on 25 April 2013, and signed on their behalf by

Mr A E Coven  
Director

Mr G C King  
Director

## CTVC Limited

### Consolidated Cash Flow Statement for the year ended 31 December 2012

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	Note	2012 £'000	2011 £'000
Net cash inflow from operating activities	A	<u>112</u>	<u>216</u>
Returns on investment and servicing of finance		<u>12</u>	<u>8</u>
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(19)	(64)
Receipts from sale of tangible fixed assets		6	-
		<u>(13)</u>	<u>(64)</u>
Increase in cash	B,C	<u>111</u>	<u>160</u>

## CTVC Limited

### Notes On The Consolidated Cash Flow for the year ended 31 December 2012

#### A Reconciliation of operating deficit to net cash inflow from operating activities

	2012 £'000	2011 £'000
Net outgoing resources	(315)	(101)
Investment income	(12)	(8)
Operating deficit	(327)	(109)
Pension finance	147	(11)
Pension contributions	(282)	(282)
Depreciation	44	70
Loss on disposal of fixed assets	6	-
Decrease in debtors	663	282
(Decrease) / increase in creditors	(139)	266
<b>Net cash inflow from operating activities</b>	<b>112</b>	<b>216</b>

#### B Analysis of change in net debt during the year

	2012 £'000	2011 £'000	Cash flow £'000
Cash at bank and in hand	981	870	111

#### C. Reconciliation of net cash outflow to movement in net funds

	2012 £'000	2011 £'000
Increase in cash	111	160
<b>Net funds as at 1 January</b>	<b>870</b>	<b>710</b>
<b>Net funds as at 31 December</b>	<b>981</b>	<b>870</b>

## **CTVC Limited**

### **Notes To The Financial Statements for the year ended 31 December 2012**

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#### **1 Accounting policies**

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##### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards. They have also been prepared in all significant respects, in accordance with the Charities (Accounts and Reports) Regulations 2008 the "Statement of Recommended Practice Accounting and Reporting by Charities SORP 2005" issued in March 2005.

##### **Recognition of incoming resources and resources expended**

Incoming resources are recognised on the accruals principle. Intangible income is not recognised in the consolidated statement of financial activities as the directors have no basis of valuation.

Resources expended are recognised on the accruals principle.

Income and expenditure is recorded net of Value Added Tax.

##### **Basis of allocation of costs**

###### **Costs of Charitable activities**

Costs of activities in furtherance of the charity's objects includes all costs relating to the production, sale and distribution of religious programmes plus attributable overheads.

###### **Governance**

Includes those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

###### **Support costs**

Support costs includes expenditure associated with the management and administration of the charity, and includes the IT support costs.

Support costs have been allocated across the charitable activities, in proportion to the relevant actual costs under the same grouping.

# CTVC Limited

## Notes To The Financial Statements for the year ended (continued) 31 December 2012

### 1 Accounting policies (continued)

#### Basis of consolidation

The consolidated financial statements comprise CTVC Limited ("CTVC") and its trading subsidiary, Hillside Studios Limited (the "Group"). A summarised profit and loss account and balance sheet of Hillside Studios Limited are given in note 5.

Advantage has been taken of the exemption available under section 408 of the Companies Act 2006 not to present an individual profit and loss account for the company.

#### Basis of capitalisation

Amounts capitalised relate to costs of acquisition of assets expected to be used by CTVC in the longer term. Pieces of equipment that have a cost price of less than £250, are treated as additions with a depreciation rate of 100%.

#### Depreciation - Assets for the Charity's own use

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation of fixed assets is calculated by reference to cost at rates estimated to write off the relevant assets over their expected useful lives, taking into account normal commercial and technical obsolescence.

The annual rates used are

Plant and equipment	10% to 50% on cost
Fixtures and fittings	
Technical	10% to 50% on cost
Office	10% to 20% on cost

Any assets considered impaired are written down to their recoverable amount.

#### Archive

CTVC owns a considerable Film and Television programme archive, which has potential for further exploration to the benefit of CTVC. Due to the unique nature of the archive, the excessive expense that would be involved in its valuation, and the uncertainty over any future revenues therefrom, the Directors have not valued the archive for inclusion in these financial statements.

#### Foreign currency

Cash at bank and in hand includes amounts held in foreign currencies. The amounts held are re-valued against sterling quarterly, and any surplus or loss arising from exchange rate fluctuation is posted to the statement of financial activities.

#### Operating Leases

Operating lease rentals are charged to the statement of financial activities on a straight line basis over the lease term.

## CTVC Limited

### Notes To The Financial Statements for the year ended (continued) 31 December 2012

#### 1. Accounting policies (continued)

##### Defined benefit pension scheme

The scheme was closed during 2002. The Company are paying £ 282,000 per annum into this scheme in line with the schedule of contributions. The amount charged to the statement of financial activities in respect of this scheme, is the estimated increased cost of providing the historical benefits accrued. The interest cost and expected return on assets are included within other finance costs in support costs.

The assets of the scheme are held separately from the group in separate trustee administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at the balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension liability is recognised on the balance sheet to the extent that the group has accepted the obligation to settle the estimated liability.

##### Defined contribution pension schemes

Employer's contributions are charged to the statement of financial activities and accrued as they become payable.

#### 2 Net incoming resources / (resources expended)

##### Net incoming resources / (resources expended) are stated after charging / (crediting)

	Group		CTVC	
	2012 £'000	2011 £'000	2012 £'000	2011 £'000
Depreciation of tangible fixed assets	44	70	44	70
Hire of equipment	3	3	3	3
Rental of premises	105	105	105	105
Auditor's remuneration - audit	20	19	20	19
Auditor's remuneration - other	3	2	1	-
During the year the company purchased Directors' and Officers' insurance	1	1	1	1
Loss on currency exchange rate	1	12	1	12
Deficit on disposal of assets	6	1	6	1

## CTVC Limited

Notes To The Financial Statements for the year ended (continued)  
31 December 2012

### 3 Analysis of total resources expended

2012	Direct Costs £'000	Staff Costs £'000	Occupancy £'000	Depreciation £'000	Other £'000	Support Costs £'000	Total £'000
<b>Charitable activities</b>							
Television	659	532	-	-	41	731	1,963
Radio	35	90	-	-	1	75	201
Education / New Media	163	228	-	-	-	188	579
<b>Total Charitable activities</b>	<b>857</b>	<b>850</b>	<b>-</b>	<b>-</b>	<b>42</b>	<b>994</b>	<b>2,743</b>
<b>Governance costs</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>28</b>
	<b>857</b>	<b>857</b>	<b>-</b>	<b>-</b>	<b>63</b>	<b>994</b>	<b>2,771</b>
<b>Analysis of support costs</b>	<b>-</b>	<b>461</b>	<b>139</b>	<b>44</b>	<b>350</b>	<b>(994)</b>	<b>-</b>
<b>Total resources expended</b>	<b>857</b>	<b>1,318</b>	<b>139</b>	<b>44</b>	<b>413</b>	<b>-</b>	<b>2,771</b>

2011	Direct Costs £'000	Staff Costs £'000	Occupancy £'000	Depreciation £'000	Other £'000	Support Costs £'000	Total £'000
<b>Charitable activities</b>							
Television	1,057	379	-	-	46	499	1,981
Radio	25	49	-	-	1	49	124
Education / New Media	147	256	-	-	19	287	709
<b>Total Charitable activities</b>	<b>1,229</b>	<b>684</b>	<b>-</b>	<b>-</b>	<b>66</b>	<b>835</b>	<b>2,814</b>
<b>Governance costs</b>	<b>-</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>19</b>	<b>-</b>	<b>28</b>
	<b>1,229</b>	<b>693</b>	<b>-</b>	<b>-</b>	<b>85</b>	<b>835</b>	<b>2,842</b>
<b>Analysis of support costs</b>	<b>-</b>	<b>426</b>	<b>146</b>	<b>70</b>	<b>193</b>	<b>(835)</b>	<b>-</b>
<b>Total resources expended</b>	<b>1,229</b>	<b>1,119</b>	<b>146</b>	<b>70</b>	<b>278</b>	<b>-</b>	<b>2,842</b>

Included in Analysis of support costs - other, is (£ 147,000) (2011 £ 11,000), amounts debited to pension finance costs - Note 7

### 4 Parent undertaking - Grant

The grant is from the immediate and ultimate parent company, The Rank Foundation Limited, a registered charity whose address is 12 Warwick Square, London, SW1V 2AA

The Rank Foundation Limited has confirmed its financial support for operational activities until 2015

The Rank Foundation Limited prepares consolidated accounts, which incorporate the results of the company, and its subsidiary companies



## CTVC Limited

### Notes To The Financial Statements for the year ended (continued) 31 December 2012

#### 5 Net income from trading activities of subsidiary

CTVC has a wholly-owned trading subsidiary, Hillside Studios Limited, which is incorporated in the United Kingdom. Following the closure of the studio buildings, the principal activity of Hillside Studios Limited is the making of video productions when appropriate.

Any profits of Hillside Studios Limited are donated to CTVC by way of Gift Aid.

A summary of Hillside Studios Limited's trading results for the year is shown below.

Profit and loss account	2012 £'000	2011 £'000
Turnover	-	-
Cost of sales	-	-
<b>Gross profit / (loss)</b>	-	-
Administration expenses	(2)	(2)
Charitable donation	-	-
<b>Operating loss</b>	(2)	(2)
Investment Income	1	1
<b>Loss for the year</b>	(1)	(1)
<b>Summarised balance sheet</b>		
Current assets	69	71
Creditors amounts falling due within one year	-	(1)
Net assets	69	70
Equity shareholders' funds	69	70

CTVC's investment in Hillside Studios Limited is 75,000 ordinary shares of £1 each, being the whole issued equity share capital of that company.

# CTVC Limited

Notes To The Financial Statements for the year ended (continued)  
31 December 2012

## 6 Directors and Employees

	2012	2011
<b>Average number employed</b>		
<b>Employed in charitable activities (excluding directors)</b>		
Core Staff	23	20
Short term temporary production staff	2	6
<b>Total</b>	<b>25</b>	<b>26</b>

### Employees' emoluments

Number of Staff earning £ 60,000 to £ 70,000	1	1
Number of Staff earning £ 70,001 to £ 80,000	2	1
Number of Staff earning £ 100,001 to £110,000	-	1
Number of Staff earning £ 110,001 to £120,000	-	1
Number of Staff earning £ 120,001 to £130,000	1	-
Number of Staff earning £ 140,001 to £150,000	1	-

Contributions to the money purchase schemes were paid in respect of the above employees  
2012 £ 37,768 (2011 £ 27,783)

Staff costs including directors' emoluments	£'000	£'000
Wages and salaries	993	937
Redundancy payments	130	-
Social security costs	104	102
Personal Insurance (PHI, DIS)	21	20
Pension costs	70	61
	<b>1,318</b>	<b>1,120</b>

### Directors' emoluments

Pension Contributions	NIL	NIL
<b>Emoluments excluding pension scheme contributions</b>		
Chairman	NIL	NIL
P F Kafno	10	10
G C King	13	13
P K Reeve	-	6
M A Booth	10	10
	<b>33</b>	<b>39</b>

The above mentioned Directors are remunerated solely for the professional services they render to CTVC and its subsidiary

The other 3 Directors received no remuneration

Reimbursement of expenses incurred in relation to duties as Directors	-	-
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Directors are not entitled to pension benefits

## CTVC Limited

### Notes To The Financial Statements for the year ended (continued) 31 December 2012

#### 7 Pensions

##### A) Defined benefit scheme - closed April 2002

The "defined benefit" scheme covered the majority of CTVC's employees up to the date of closure. The pension cost relating to the principal scheme is assessed in accordance with the advice of an independent qualified actuary using the projected unit method. It is to be noted that under this valuation method the costs will increase as the members of the scheme approach retirement. The latest actuarial valuation of this scheme was at the 30 September 2009. The next full valuation will be as at 30 September 2012.

The revised valuation showed that the scheme continued to be in deficit and a new Schedule of Contributions was prepared. This requires a payment from the company of £ 282,000 (2011 £ 282,000) per annum. This schedule commenced in January 2010.

In 2002, The Rank Foundation paid £ 2 million in to the scheme, and they allocated a further £ 1 million to support the scheme. This amount was included in debtors less the payments made from January 2010 £ 680,208 to date. Following the revised valuation The Rank Foundation have agreed to contribute £ 282,000 p a for the next eight years and this is reflected in debtors.

The Directors have appointed the scheme actuary to prepare the following detailed disclosures and they have relied on the actuary's expertise in this regard.

##### The principal actuarial assumptions used at the balance sheet date

	2012	2011
Rate of increase in salaries	-	-
Rate of increase of pensions in payment	2.10%	2.40%
Rate of increase for deferred pensions	2.10%	2.40%
Discount rate for scheme liabilities	4.20%	5.10%
Future inflation rate	2.80%	3.10%
Expected return on plan assets	4.70%	5.20%

The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment portfolio. Expected yields on bonds are based on gross redemption yields at the balance sheet date whilst the expected returns on the equity and property investments reflect the long-term real rates of return experienced in the respective markets. The actual return on assets for 2012 £ 552,000 (2011 £ 354,000).

##### As at the balance sheet date, the assets and liabilities of the scheme were as follows:

	2012 £'000	2011 £'000	2010 £'000	2009 £'000
Fixed Interest Units	-	-	-	-
Equities	4,080	3,787	5,325	4,252
Property	500	497	466	1,198
Corporate Bonds	710	683	599	539
Cash and Other	1,290	1,241	266	-
<b>Total market value of assets</b>	<b>6,580</b>	<b>6,208</b>	<b>6,656</b>	<b>5,989</b>
Present value of scheme liabilities	(11,790)	(9,340)	(8,663)	(8,176)
Shortfall in the scheme (balance sheet reserve)	<u>(5,210)</u>	<u>(3,132)</u>	<u>(2,007)</u>	<u>(2,187)</u>

# CTVC Limited

Notes To The Financial Statements for the year ended (continued)  
31 December 2012

## 7 Pensions (continued)

	2012 £'000	2011 £'000
<b>Changes in the present value of the defined benefit obligation are as follows</b>		
Opening defined benefit obligation	9,340	8,663
Current service cost	-	-
Employee contributions	-	-
Interest cost	465	458
Actuarial losses / (gains) *	2,447	595
(Gains) / losses on curtailments	-	-
Liabilities extinguished on settlements	-	-
Benefits paid	( 462)	( 376)
Closing defined benefit obligation	<u>11,790</u>	<u>9,340</u>

## Changes in the fair value of plan assets are as follows

Opening plan assets	6,208	6,656
Expected return	318	469
Actuarial gains / (losses) *	234	( 823)
Assets distributed on settlements	-	-
Contributions by employer	282	282
Benefits paid	( 462)	( 376)
Closing plan assets	<u>6,580</u>	<u>6,208</u>

## Amounts recognised in the Statement of Financial Activities

	2012 £'000	2011 £'000	2010 £'000	2009 £'000
Current service cost	-	-	-	-
Interest cost	(465)	(458)	(467)	(417)
Expected return on pension scheme assets	318	469	419	280
Past service costs	-	-	-	-
Losses / (gains) on curtailments and settlements	-	-	-	-
Total	<u>(147)</u>	<u>11</u>	<u>(48)</u>	<u>(137)</u>

	Current year		Cumulative	
	2012 £'000	2011 £'000	2012 £'000	2011 £'000
Actuarial gain / (loss)	<u>(2,213)</u>	<u>(1,418)</u>	<u>(5,437)</u>	<u>(3,224)</u>
(* £ 2,447,000 - £ 234,000)				

The Company will contribute £ 282,000 to its defined benefit pension scheme in 2013

## CTVC Limited

### Notes To The Financial Statements for the year ended (continued) 31 December 2012

#### 7 Pensions (continued)

Amounts for the current and previous four periods are as follows

	2012 £'000	2011 £'000	2010 £'000	2009 £'000	2008 £'000
Defined benefit obligation	( 11,790)	( 9,340)	( 8,663)	( 8,176)	( 6,532)
Plan assets	6,580	6,208	6,656	5,989	5,032
Surplus / (deficit)	<u>( 5,210)</u>	<u>( 3,132)</u>	<u>( 2,007)</u>	<u>( 2,187)</u>	<u>( 1,500)</u>
Experience adjustments on plan liabilities	40	( 82)	( 147)	479	2
Experience adjustments on plan assets	<u>234</u>	<u>( 823)</u>	<u>432</u>	<u>843</u>	<u>( 1,804)</u>

#### B) Defined contribution schemes

Funded "defined contribution" schemes are operated

	2012 £'000	2011 £'000
Stakeholder scheme		
Pension charge for the period	50	48
Balance due to the scheme as at the year end	<u>29</u>	<u>15</u>

# CTVC Limited

## Notes To The Financial Statements for the year ended (continued) 31 December 2012

### 8 Tangible fixed assets - Assets for the Charity's own use

#### Group and CTVC

Cost	As at 01 January £'000	Additions £'000	Disposals £'000	As at 31 December £'000
Plant and equipment	324	2	(58)	268
Fixtures and fittings	188	17	(2)	203
	<u>512</u>	<u>19</u>	<u>(60)</u>	<u>471</u>
Depreciation	As at 01 January £'000	Charged for the year £'000	Disposals £'000	As at 31 December £'000
Plant and equipment	278	19	(48)	249
Fixtures and fittings	130	25	-	155
	<u>408</u>	<u>44</u>	<u>(48)</u>	<u>404</u>
<b>Net book value</b>	<u>104</u>			<u>67</u>

No analysis can be provided between direct charitable usage, support activities, or management and administration functions as the assets are interchangeable

#### Archive

See Note 1 on page 19, carried at no value

### 9 Commitments

	2012 £'000	2011 £'000
Capital	-	-
<b>Annual commitments under non-cancellable operating leases*</b>		
Property leases expiring less than 1 year	-	-
Property leases expiring within 1 to 2 years	-	-
Property leases expiring within 2 to 5 years	<u>93</u>	<u>93</u>

# CTVC Limited

## Notes To The Financial Statements for the year ended (continued) 31 December 2012

### 10 Debtors

	Group		CTVC	
	2012	2011	2012	2011
	£'000	£'000	£'000	£'000
Trade debtors	55	452	55	452
Amount due from parent undertaking (re pension)	2,256	2,538	2,256	2,538
Amount due from subsidiary undertaking	-	-	-	1
Other debtors	2	-	2	-
Accrued income and prepayments	55	41	55	41
	<u>2,368</u>	<u>3,031</u>	<u>2,368</u>	<u>3,032</u>

Included in the amount due from parent undertaking (re pension) is an amount of £1,974,000 due in more than one year

### 11 Creditors amounts falling due within one year

	Group		CTVC	
	2012	2011	2012	2011
	£'000	£'000	£'000	£'000
Trade creditors	39	124	39	124
Other taxation and social security	38	74	38	74
Amount due to parent undertaking	4	2	4	2
Amount due to subsidiary undertaking	-	-	59	-
Accruals and deferred income	21	202	21	202
Other creditors	176	15	176	15
	<u>278</u>	<u>417</u>	<u>337</u>	<u>417</u>

Included in other creditors is an amount of £ 57,339 that CTVC is holding as agent in respect of an on-going project represented by an equal and opposite amount held in a separate bank account that CTVC is operating

## CTVC Limited

### Notes To The Financial Statements for the year ended (continued) 31 December 2012

	Group		CTVC	
	2012 £'000	2011 £'000	2012 £'000	2011 £'000
<b>12 Reserves</b>				
<b>General fund</b>				
Net movement in funds for the year	(2,528)	(1,519)	(2,527)	(1,518)
Defined benefit pension scheme movement in year	2,078	1,125	2,078	1,125
Balance brought forward	1,050	1,162	1,055	1,166
Transfer from / (to) designated fund	282	282	282	282
Balance carried forward	<u>882</u>	<u>1,050</u>	<u>888</u>	<u>1,055</u>

#### Designated fund - Pension reserve

Transfer to / (from) general fund	(282)	(282)	(282)	(282)
Balance brought forward	2,538	2,820	2,538	2,820
Balance carried forward	<u>2,256</u>	<u>2,538</u>	<u>2,256</u>	<u>2,538</u>

The designated fund represents the amount set aside by the Directors to clear the pension scheme deficit over a period of ten years

## 13 Constitution

CTVC is limited by guarantee not having a share capital

## 14 Related party transactions

CTVC has taken advantage of the exemptions available in FRS 8 not to report transactions with its parent and subsidiary undertaking

## 15 Disclosure re VAT registration

The company is included in a UK group registration for VAT purposes and is therefore jointly and severally liable for all other group companies' unpaid debts in this connection amounting to £ 0, as at 31 December 2012 ( £ 9,576 2011 )



**CTVC Limited****Statement of Financial Activities and Income and Expenditure Account  
For the year ended 31 December 2012**

	2012 £'000	2011 £'000
<b>Incoming resources</b>		
<b>Incoming resources from generated funds</b>		
<b>Voluntary income</b>		
Grants	1,369	1,500
Gift Aid - Trading subsidiary	-	-
<b>Investment income</b>	<u>11</u>	<u>7</u>
	1,380	1,507
<b>Incoming resources from charitable activities</b>		
Contributions towards production costs		
- Television	700	956
- Radio	20	29
Broadcast fees	51	68
Education / New Media	<u>304</u>	<u>180</u>
	1,075	1,233
<b>Total incoming resources</b>	<u>2,455</u>	<u>2,740</u>
<b>Resources expended</b>		
<b>Charitable activities</b>		
Television production	1,962	1,979
Radio production	201	124
Education / New Media	<u>578</u>	<u>709</u>
	2,741	2,812
<b>Governance costs</b>	28	28
<b>Total resources expended</b>	<u>2,769</u>	<u>2,840</u>
<b>Net incoming resources before other recognised (losses) and gains</b>		
Excess of expenditure over income	<u>(314)</u>	<u>(100)</u>
<b>Other recognised gains / (losses)</b>		
Actuarial losses on defined benefit pension scheme	(2,213)	(1,418)
<b>Net movement in funds</b>	<u>(2,527)</u>	<u>(1,518)</u>
<b>Reconciliation of funds</b>		
Total funds brought forward	461	1,979
<b>Total funds carried forward</b>	<u>(2,066)</u>	<u>461</u>

*This page does not form part of the statutory financial statements*

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